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FISCAL IMPACT REPORT

SPONSOR Varela **DATE TYPED** 02/10/05 **HB** 206/aHCPAC

SHORT TITLE Abandoned Property Taxation Changes **SB** _____

ANALYST Ford

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
			Minimal	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases)

SOURCES OF INFORMATION

LFC Files

Responses Received From

Taxation and Revenue Department (TRD)

SUMMARY

Synopsis of HCPAC Amendment

The House Consumer and Public Affairs Committee amendment makes clarifying changes to definitions used in the Uniform Unclaimed Property Act.

Synopsis of Original Bill

House Bill 206 makes the following changes to the Uniform Unclaimed Property Act:

- Requires holders of 25 or more abandoned properties to report the properties to the TRD electronically.
- Allows TRD to sell abandoned property by any reasonable method (current law allows for the sale only through a public auction);
- Extends the time in which a former owner can challenge the validity of the sale of unclaimed property from 24 months to 48 months.

FISCAL IMPLICATIONS

Electronic reporting from large holders of unclaimed property will likely result in cost savings to TRD. Allowing TRD to sell abandoned property via methods other than public sale may result in costs savings as well as increased revenue from sales.

EF/lg